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DEPARTMENT FOR EAP, PRM AND DRL; PLEASE PASS USAID

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TAGS: <u>PREF PHUM PREL EAID BM TH EUN USEU BRUSSELS</u>
SUBJECT: BURMA'S HUMANITARIAN SITUATION DETERIORATING: EU
STRESSES ASSISTANCE, DIALOGUE

11. (SBU) Summary. The 2006 Burma/Myanmar Forum, sponsored by the European Institute for Asian Studies (EIAS), focused on the deteriorating humanitarian situation in Burma. NGOs, international organizations, academics and government officials outlined the reasons for increased displacement in 2005, as well as the current obstacles in addressing humanitarian needs. Specific examples of displacement caused by military activity, large-scale development projects and unsuccessful policy initiatives were described in detail. The conference was not meant to explore political responses in addressing the root causes of this complex humanitarian emergency. However, given that the event took place in the run-up to the European Union,s (EU) review of its "common position" towards Burma, several speakers made this critical link. European officials stressed the need for dialogue with the regime, in contrast to the USG statement which stressed marginalizing it. Most speakers expressed concern that the Burmese government's proposed guidelines for NGOs would obstruct access and the delivery of aid and possibly cause NGOs to discontinue their work in the country. Regarding Burmese refugees in Thailand, various speakers spoke in positive terms about the Thai government's policy shift towards accommodating a longer-term refugee community. EU's common position towards Burma is not expected to alter significantly when it is reviewed later this month. End summary.

EU "common position" on relations with Burma

12. (U) In his keynote speech at the Burma/Mynmar Forum 2006 on March 29, the European Commission's Director General for External Relations Eneko Landaburu stressed the need for balancing criticism of the Burmese regime with limited engagement. He said that the EU sought to be a global player and was intent on spreading its values and principles through "soft power" and multilateral engagement. Landaburu outlined the EU's common policy -- which has been attacked as both too mild and too stringent -- and emphasized the need to: 1) maintain a dialogue which included a focus on human rights; 2) engage the regime to undertake its responsibility in developing the country; and, 3) ensure assistance for vulnerable populations, including refugees abroad. He stressed that isolating Burma and placing restrictions on the regime could not, by themselves, bring about change.

 ${\tt EC}$ assistance, the "3D Fund", NGO guidelines, and donor coordination

- 13. (U) Outlining the European Commission's (EC) assistance strategy for 2007-2013, Landaburu said the emphasis would be on primary education and health programs. He regretted the Global Fund's decision to end its program in Burma and said EC funds would help fill the gap in combating malaria, HIV/AIDS and tuberculosis. EC assistance, he said, would help prevent a "lost generation" from developing in Burma. Landaburu ended with a personal reflection on his youth under Franco's dictatorship and said that engagement, including visits by tourists, was key in exposing Spaniards to democracy and market principles.
- 14. (U) During the conference, EC officials gave more details about humanitarian and longer-term funding. According to Burma-Thailand desk office Javier Menendez Bonilla, the Euroepan Commission Humanitarian Aid Officer (ECHO) considers Burma a "forgotten crisis." ECHO will provide 8 million euros for humanitarian needs inside Burma this year -- of which 2.7 million euros will assist the Rohingyas of Northern Arakan -- and these funds will be channeled through UNHCR, WFP and ICRC to provide protection, food aid and water/sanitation. ECHO's funding is being straight-lined from 2005 to 2006, but the 8 million figure is four times higher than the 2003 total.
- 15. (U) Menendez Bonilla said that the Burmese government's proposed guidelines for NGOs are a cause of grave concern in that they would obstruct access and the delivery of aid. During the conference, NGOs also expressed concern about the

proposed guidelines and said that they may well cause many organizations to discontinue working in Burma. They stressed it was important to ensure that not all humanitarian agencies cease operations and that a way is found to reestablish and maintain a humanitarian space in order for operations to continue.

- 16. (U) Andrew Jacobs, a Commission official based at the EC's Delegation in Bangkok and Operations Manager of the proposed "Three Diseases Fund", gave a detailed overview of this EC-driven initiative designed to fill the gap caused by the departure of the Global Fund. Should donors cough up enough money, Jacobs suggested the 3D fund budget would be \$100 million over five years. He said UNOPS had been chosen to manage the fund because of its independence (i.e., no need to rely on donor funding). Jacobs highlighted the importance of combating malaria, the biggest cause of mortality in Burma. However, he also stressed the role of the 3D fund in improving dialogue and cooperation with the Burmese government since the fund will support the public health sector. Although funds will be used countrywide, Jacobs noted that the greatest efforts would be made in areas populated by ethnic minorities.
- 17. (U) For refugees in Thailand, ECHO will contribute a total of 8.5 million euros in 2006, of which 5.5 million euros will be channeled through the Thailand-Burma Border Consortium (TBBC) of NGOs, largely for food aid. The other 3 million euros will be devoted to health needs inside the refugee camps.
- 18. (U) The Ambassador of the UK to the Union of Myanmar, Vicky Bowman, focused her comments on the efforts of the UK Department for International Development (DFID) to spearhead a Strategic Development Assessment. She began by asking, "How can humanitarian assistance solve problems instead of being a band-aid?" She recalled her initial enthusiasm upon arrival for finding a way to use aid to promote national reconciliation. However, a forum sponsored by her embassy last year with ethnic group representatives and students convinced her there was no point in trying to bring the two sides together at this time since the minorities did not trust the government. Bowman stated that perhaps a better approach would be to use humanitarian assistance to bring local communities together to address problems. She indicated that cross-border assistance may be reinforcing Burma,s divisions and cautioned that conflicts can sometimes be reinforced by assistance. She also urged incorporating the centrality of religion in the reconciliation process (noting that often even Anglican, Baptist and Catholic groups would not cooperate with each other).
- 19. (U) Bowman said donors could set an example of cooperation and reported that a group of the major contributors (UK, Australia, Germany, Japan and the UN Resident Coordinator) were already working on the assessment; she hoped the EC, Sweden and Switzerland would join shortly. The donor group visited Shan and other conflict areas in 2005 to review assistance programs and determine future priorities. In the nine conflict clusters visited, they determined that there was poor local leadership and governance, general economic deterioration and a weakened civil society. The group decided to focus their assistance in ten priority areas. The top four included: building social capital, strengthening civil society, promoting local leadership, and improving the macro-economic situation.

Humanitarian Needs inside Burma

- 110. (U) Ashley South, an analyst based in London who specializes in ethnic politics, displacement and humanitarian issues, described three distinct causes of displacement in Burma: military activities, infrastructure development, and livelihood vulnerability. According to South, the armed conflict in eastern Burma, especially Karen State near the Thai border, is causing much displacement, not only because of the fighting, but also because of severe human rights abuses. He sited TBBC data which indicated that as many as 540,000 people were being impacted, some multiple times. The displaced have four options: 1) hide near their villages; 2) comply and move to relocation sites where poor living conditions normally exist; 3) flee to ceasefire areas, or 4) move to government controlled areas. Frequently, after a population is displaced, villages are destroyed so inhabitants cannot return. South emphasized that since protection needs vary in each displacement situation, assistance must be tailored. A wide range of conditions can be encountered by IDPs in the same region, he noted. Since 2003, some areas have stabilized in Karen State while other areas have deteriorated.
- 111. (U) South said that in Kachin and Mon States (ceasefire areas) both military and development-induced displacement caused by large-scale government controlled projects is occurring. These include expanded mining projects (which

exploit local natural resources), construction of new military installations and the new national capital, and large-scale infrastructure projects. Protection issues include housing and property rights. Although security is better in the ceasefire areas and education and economic opportunities are improving, South said that support is still needed for these IDPs to transition successfully to new locations and reestablish their homes and livelihoods.

- 112. (U) Livelihood vulnerability induced displacement is caused primarily by the government's opium eradication programs in Shan State and by natural disasters. South indicated that local NGOs are active in dealing with these vulnerable groups but that international agencies should mainstream protection to allow access to the full range of services, not just assistance.
- 113. (U) Chris Lewa, coordinator of the Northern Arakan Project working out of Bangkok, described the chronic emergency situation found in the North Arakan region of Rakhine State which is caused by acute poverty. She said international aid is essential to avoid a mass migration to neighboring Bangladesh. Three Muslim-majority townships in this region have long suffered discrimination. In 1978, 250,000 refugees from this region were repatriated from Bangladesh to Burma in mass. However, a Burmese law passed in 1982 rendered this population stateless because it categorized them as illegal immigrants from Bangladesh. They are severely restricted in their movements and for a while even required official permission to marry. Frequently subject to forced labor and extortion, they have no economic opportunities and receive no public services. Malnutrition is a constant state. Lewa said that eleven international organizations and seven NGOs are active in this region.
- 114. (U) Lewa noted that the EU has been the largest donor (combining EC contributions with bilateral contributions from EU Member States). In addition to the ECHO funds noted above, the EC contributed 6.9 million euros in food assistance from EuropeAid funds during the 2003-2005 period. Lewa emphasized that Burma's crisis is political in nature and that the presence of international agencies to ensure protection is essential. She called on the EU to exert more pressure on the Burmese regime to lift restrictive practices and policies.
- 115. (U) Lewa detailed a list of abuses instigated by the regime. Harassment is a constant. Food aid deliveries are frequently hindered during lean periods. Muslims are not allowed to receive health training and must rely on the Buddhist medical staff that frequently hinders assistance and treatment. Travel passes are frequently denied for those seeking medical treatment outside of the region for more serious conditions. The education system is also in a deteriorated condition due to poorly trained teachers and lack of facilities. Access to higher education outside of the region for promising students is usually denied due to travel restrictions. She also said that protection should include economic and cultural rights.
- 116. (U) Saw David Taw of the Karen Internally Displaced Committee and Daw Shirley Sen of the Kachin Women's Organization, both based in Chiang Mai, stressed other difficulties inside Burma, including trafficking in persons, sexual violence against women, HIV/AIDS, child labor and child soldiers, drug addiction, lack of basic social services and economic opportunities in remote regions, negative effects of unsustainable drug eradication programs, malaria and general isolation from lowland areas. Sen said that only three NGOs are working in the ceasefire areas the Metta Foundation, YMCA and Kachin Baptist Convention and they are only able to provide small scale support. She stressed the particular problem of trafficking in persons across the China/Burma border for the purpose of forced marriages and prostitution. According to Shirley, the SPDC regime's anti-trafficking policies are not working and actually serve to restrict the rights of women (such as to free movement).
- 117. (U) According to UNHCR Senior Desk Officer Marc Rapoport, while there had been some sense of possible repatriation of refugees to Burma from Thailand in 2004, the difficulties encountered in 2005, described above, have curbed the initial optimism. Because progress and presence of humanitarian actors in areas of return is still modest, Rapoport concluded that "conditions are not conducive for repatriation for the time being."

Humanitarian needs in Thailand

¶18. (U) In his overview of the refugee situation, Director of the TBBC Jack Dunford said that the militarization of the border area over the past decade and subsequent development projects had contributed significantly to the outflows. Refugees were fleeing from both forced labor situations and

environmental damage (i.e., inundations for new dams, widespread logging, etc.). Since December 2005, at one refugee camp alone, over 1200 have arrived. Thousands more are poised across the border to join them. Dunford noted that the number of new arrivals would be greater, except for the landmines and efforts by the Thai army to push them back.

- 19. (U) On developments in Thailand, Dunford said that the good news was a shift towards a more realistic approach to the refugee situation, with the Royal Thai Government (RTG) no longer talking about refugee returns within three years and new preparations for longer-term refugee populations in Thailand. He said that the RTG had reacted encouragingly to a letter sent by the TBBC on December 8, which outlined a comprehensive plan to improve the situation of the refugees The letter stressed that long term confinement in camps would not be beneficial to the refugees. The Thai Ministry of Interior approved extension of skills training and income generating projects, as well as the teaching of the Thai language to Burmese refugees. Dunford called on donors to seize the momentum of this shift in the RTG stance and provide the financial support for these new programs which may eventually facilitate local intergration. He also mentioned current funding difficulties caused by currency fluctuations and the need to possibly cut food rations if additional funds did not become available. Dunford said the TBBC was slightly worried that these steps towards improving the situation for refugees could encourage more arrivals. However, he noted that the push factors are driving them out independently of possible camp improvement and without regard to other pull factors in Thailand.
- ${ t 1}{ t 20}$. (U) Rapoport gave a similarly upbeat report on the positive shift in the RTG. He said that while Thailand was still not a party to the Geneva Refugee Convention it had maintained the spirit of the document through a generous asylum policy over the last three decades. He noted that the provincial admission boards, which ceased accepting asylum claims in 2001, resumed them in 2005 using a definition of refugee very similar to that of the Geneva Convention and that 25,000 camp residents have had their status regularized. When asked by a Czech diplomat whether the international community should press the RTG to ratify the Geneva Convention, both Rapoport and Dunford stressed that the current helpful attitude of the RTG is more important than formalities; Dunford also noted the deep political division in Thailand and said that this uncertainty also meant the time for such a sensitive deliberation was not right.
- $\ 121.$ (U) Rapoport said that UNHCR intended to refer 13,500 refugees from nine camps for resettlement in 2005 and a similar number in 2006. According to Dunford, the RTG approved the departure of up to 10,000 this year to the ten major resettlement countries, but he believe that only about half that many would actual leave. He also stressed that asylum rights for those not in camps needed to be maintained by the RTG.
- 122. (U) Several speakers noted the growing number of Burmese migrants in Thailand, now estimated at 1.5 million. UNHCR's Rapoport contrasted the situation of the migrants, who have been progressively offered more opportunities, with the psychological problems developing among refugees. The most memorable line from the conference was delivered by Thaung Htun of the National Coalition Government of the Union of Burma, who quoted one migrant about his lot, as follows: "Thai hell is better than Burmese hell."

Comment

123. (SBU) As always, identifying the problems are much easier than charting out a course of action to address root causes. EIAS Secretary General Dick Gupwell made it clear in his introductory remarks that ASEAN membership had completely failed to change the direction of the generals. A videotaped message from former Czech president Vaclav Havel urged participants "not to yield to the lobby that would like to go on trading normally with the regime." Yet that lobby tried to make that exact case during and in the margins of the conference. Editorials by Dr. Zar Ni of the Free Burma Conletence. Editorials by Dr. Zar Ni of the Free Burma Coalition, which said "protracted economic sanctions and international isolation of Burma only stymie the emergence of a viable civil society" and which noted the failure of the U.S. embargo to bring down Fidel Castro, were circulated. However, PRMOff's defense of the USG policy on sanctions was applauded by some. One participant noted that the EU Member State with the hardest line toward Burma, the UK, also had the highest amount of foreign investment in the country.

124. (SBU) Some participants also expressed concern about the perceived softening of the EU "common position" -- particularly in Germany, France, Italy and Austria -- towards Burma. Landaburu's emollient remarks and emphasis on

engagement undoubtedly added to their fears. Ambassador Bowman said that the international community had run out of ideas for delivering impact. "What good would come of Burma's expulsion from ASEAN? If Total withdrew, Petro-China would take its place," she noted. Nonetheless, Bowman said she believed the EU's "common position" would be maintained, not softened. USEU contacts in the EU Council Secretariat in Brussels confirmed Bowman's analysis and indicated that the mood in the Council is currently not disposed toward a more liberal stance on Burma. Since much of the conference was spent outlining the deterioration of the situation caused by new abuses perpetrated by the regime, common sense should indicate that easing pressure at this point would not be prudent. Department may wish to demarche EU Member States in advance of their review of the "common position" which should take place in late April or May.

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